

rise of silver and the tical rose so rapidly as to becomes «c; -subject of violent speculation. It was apparently the object of the government to produce a scarcity of silver in circulation by forcing the use as far as possible of the new currency notes. The public deposits were also withdrawn rapidly from the three foreign banks.<sup>1</sup> In 1906 an effort was made to establish a stable rate of exchange by serving notice on the banks that the Treasury would, when it deemed it necessary, sell drafts on London at the rate of 14! pence (29 cents), which made the rate of the tical about sixteen to the pound sterling. The average rate during 1903 was 19.84 ticals to the pound; 1904, 18.28 ticals; and 1905, 17.94 ticals.<sup>2</sup> The closing of the mints and growing demand for money •enabled the government to change the rate again in 1907 •to 13.33 ticals, giving a gold value to the tical of 18 pence.<sup>3</sup>

*Banking in Indo-China.*

The modern banking needs of the French possessions in the East, including Indo-China with its eighteen millions •of people, are ministered to by the Bank of Indo-China (*Banque de l'Indo-Chine*), with headquarters at Paris. The "bank opened its first branch at Saigon on April 10, 1875, under the colonial banking law of 1851.<sup>4</sup> The capital, fixed at that time at 8,000,000 francs (\$1,544,000) was increased by successive stages, until it stood in 1908 at 36,000,000 francs (\$6,948,000), of which, however, three-quarters remained subject to call/ The bank is authorized to do the business of a bank of issue, loans, and discounts for Cochin-China, French India, and New Caledonia, as well as for the protectorate of Cambodia, Annam, and Tonkin. There are branches in China and Japan, at Pondicherry in India, and

<sup>1</sup> Alglave, 662.

<sup>2</sup> *Economiste Européen*, August 31, 1906, XXX., 261.

<sup>3</sup> *Statesman's Year Book for  
f\$08, 1500.*

<sup>4</sup> Denizet, 195.

<sup>5</sup> Reserve funds had accumulated by the close of 1907 to the amount of 25,494,071 francs, or nearly the amount of the uncalled capital— *leconomiste Européen*, May 29, 1908, XXXIII., 685.